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JUN 23 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

June 22, 1998

Magalie Roman Salas
Secretary
Federal Communications Commission
Room 222
1919 M Street, N.W.
Washington, D.C. 20554

VIACOM

**RE: Oral/Written Ex Parte Presentation
MM Docket Nos. 87-7, 91-221 (Local Television Ownership)**

Dear Ms. Salas:

On June 22, 1998, representatives of Viacom Inc. ("Viacom") met with Jane Mago, Senior Legal Advisor to Commissioner Michael Powell, in connection with the above-captioned rule making proceeding. The Viacom representatives were Steve Goldman and myself. The nature and scope of the oral presentation were limited to the ownership issues addressed in Viacom's comments filed on February 7, 1997 in response to the Second Further Notice of Proposed Rule Making. With respect to the issue of TV duopolies, Viacom submitted a one-page position paper, as well as two pages of tables detailing distances between DMAs. Viacom also submitted a chart demonstrating the inconsistent ownership combinations that could result from a Grade A/DMA standard. (The Grade A contours were determined by reference to the 1998 Television and Cable Factbook.) Copies of all those submissions are attached hereto.

The proceeding at issue is a non-restricted proceeding in which presentations are permitted, but must be disclosed. Accordingly, this letter and a copy, as well as the attachments, are being filed pursuant to Section 1.1206 of the Commission's Rules.

Sincerely,



Anne Lucey

cc: Jane Mago (w/o attachments)

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Viacom Inc.

Owns one-half of the UPN Network (with Chris-Craft), which is a start-up broadcast television network;

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Owns Paramount Stations Group (PSG), which is the licensee of 15 commercial broadcast TV stations. PSG also programs 2 additional TV stations pursuant to *out-of-market* LMAs. (One is West Palm-DMA TV station, operated from PSG's Miami-DMA TV station, and the second is a Providence-DMA market TV station, operated from PSG's Boston-DMA TV station); and

Position on Duopolies:

The Commission should adopt a DMA-only standard, one that permits a party to own TV stations, so long as the stations are located in *different* DMAs.

Rationale

- Grade A and Grade B standards are rooted in engineering and do not represent the geographic scope of competition between TV stations.
- Because Grade A contours vary greatly—depending upon the location of a station's transmitter, its height and its power level—a Grade A/DMA standard could lead to the anomalous and unfair result of permitting certain TV ownership combinations in two DMAs while prohibiting others in the same DMAs. [See accompanying tables.]
- TV stations direct their resources and personnel to attaining superior ratings within their given DMAs, not within their Grade A or Grade B contours.
- Efficiencies are possible in TV station combinations in which each TV station is located in separate, but adjacent, DMAs.
- These efficiencies are crucial to the competitiveness and economic stability of emerging broadcast television networks, such as UPN.
- Survival of UPN and other emerging networks will yield diversity of programming *voices*.

TOP 50 MARKETS
PROXIMITY TO CLOSEST TOP 50 MARKET

<u>Rank</u>	<u>Market</u>	<u>Closest Top 50 Market</u>	<u>Distance *</u>
1	New York	Philadelphia	101
2	Los Angeles	San Diego	124
3	Chicago	Milwaukee	92
4	Philadelphia	New York	101
5	San Francisco	Sacramento	95
6	Boston	Providence	50
7	Washington	Baltimore	45
8	Dallas	Oklahoma City	208
9	Detroit	Cleveland	100
10	Atlanta	Greenville	142
11	Houston	San Antonio	197
12	Seattle	Portland, OR	174
13	Cleveland	Detroit	100
14	Minneapolis	Milwaukee	310
15	Tampa	Orlando	84
16	Miami	W. Palm Bch.	66
17	Phoenix	San Diego	350
18	Denver	Salt Lake City	490
19	Pittsburgh	Cleveland	157
20	Sacramento	San Francisco	95
21	St. Louis	Indianapolis	246
22	Orlando	Tampa	84
23	Baltimore	Washington	45
24	Portland, OR	Seattle	174
25	Indianapolis	Cincinnati	110
26	San Diego	Los Angeles	124
27	Hartford	Providence	87
28	Charlotte	Greenville	90
29	Raleigh	Greensboro	74
30	Cincinnati	Louisville	103
31	Kansas City	St. Louis	256
32	Milwaukee	Chicago	92
33	Nashville	Memphis	210
34	Columbus, OH	Cincinnati	111
35	Greenville	Charlotte	90
36	Salt Lake City	Denver	490
37	Grand Rapids	Detroit	156
38	San Antonio	Houston	197
39	Norfolk	Washington	156
40	Buffalo	Cleveland	191
41	New Orleans	Houston	340
42	Memphis	Nashville	210
43	W. Palm Bch.	Miami	66
44	Oklahoma City	Dallas	208
45	Harrisburg	Baltimore	87
46	Greensboro	Raleigh	74
47	Wilkes-Barre	Harrisburg	122
48	Albuquerque	Phoenix	420
49	Providence	Boston	50
50	Louisville	Cincinnati	103

*Distances taken from 1995 Rand McNally Road Atlas and are approximate.

TOP 50 MARKETS
PROXIMITY TO CLOSEST TOP 50 MARKET
SORTED BY MARKETS CLOSEST TO ONE ANOTHER

Rank	Market	Closest Top 50 Market	Distance
7	Washington	Baltimore	45
23	Baltimore	Washington	45
6	Boston	Providence	50
49	Providence	Boston	50
16	Miami	W. Palm Bch.	66
43	W. Palm Bch.	Miami	66
29	Raleigh	Greensboro	74
46	Greensboro	Raleigh	74
15	Tampa	Orlando	84
22	Orlando	Tampa	84
27	Hartford	Providence	87
45	Harrisburg	Baltimore	87
28	Charlotte	Greenville	90
35	Greenville	Charlotte	90
3	Chicago	Milwaukee	92
32	Milwaukee	Chicago	92
5	San Francisco	Sacramento	95
20	Sacramento	San Francisco	95
9	Detroit	Cleveland	100
13	Cleveland	Detroit	100
1	New York	Philadelphia	101
4	Philadelphia	New York	101
30	Cincinnati	Louisville	103
50	Louisville	Cincinnati	103
25	Indianapolis	Cincinnati	110
34	Columbus, OH	Cincinnati	111
47	Wilkes-Barre	Harrisburg	122
2	Los Angeles	San Diego	124
26	San Diego	Los Angeles	124
10	Atlanta	Greenville	142
37	Grand Rapids	Detroit	156
39	Norfolk	Washington	156
19	Pittsburgh	Cleveland	157
12	Seattle	Portland, OR	174
24	Portland, OR	Seattle	174
40	Buffalo	Cleveland	191
11	Houston	San Antonio	197
38	San Antonio	Houston	197
8	Dallas	Oklahoma City	208
44	Oklahoma City	Dallas	208
33	Nashville	Memphis	210
42	Memphis	Nashville	210
21	St. Louis	Indianapolis	-- 246
31	Kansas City	St. Louis	256
14	Minneapolis	Milwaukee	310
41	New Orleans	Houston	340
17	Phoenix	San Diego	350
48	Albuquerque	Phoenix	420
18	Denver	Salt Lake City	490
36	Salt Lake City	Denver	490

--Distances taken from 1995 Rand McNally Road Atlas and are approximate.

Rationale for Eliminating Grade A Overlap Restriction

Television Markets Within 80 Miles

Market / Rank / % of US	Market / Rank / % of US	Distance	Grade A Overlap		Distance In Miles	No Grade A Overlap	
			Station / City of License / Affil.	Station / City of License / Affil.		Station / City of License / Affil.	Station / City of License / Affil.
New York / 1 / 6.9%	Hartford-New Haven / 27 / .9%	73	WPIX-11 / New York / WB	WTNH-8 / New Haven / ABC	103	WNBC-4 / New York / NBC	WVIT-30 / New Britain / NBC
		73	WABC-7 / New York / ABC	WTNH-8 / New Haven / ABC	111	WPIX-11 / New York / WB	WFSB-3 / Hartford / CBS
Philadelphia / 4 / 2.7%	Harrisburg-Lancaster-Lebanon-York / 45 / .6%	74	WCAU-10 / Philadelphia / NBC	WGAL-8 / Lancaster / NBC	104	WPHL-17 / Philadelphia / WB	WPMT-43 / York / WB
		74	WPSG-57 / Philadelphia / UPN	WLYH-15 / Lancaster / UPN	114	WPVI-6 / Philadelphia / ABC	WHTM-27 / Harrisburg / ABC
Washington / 7 / 2%	Baltimore / 23 / 1%	35	All Stations have a Grade A Overlap				
Detroit / 9 / 1.8%	Toledo / 66 / .4%	62	All Stations have a Grade A Overlap				
Detroit / 9 / 1.8%	Flint-Saginaw-Bay City / 63 / .5%	64/101	All Stations have a Grade A Overlap (Except with WNEM-5 / Bay City / CBS)		111	All Detroit Stations	WNEM-5 / Bay City / CBS
Miami-Ft. Lauderdale / 16 / 1.4%	West Palm Beach-Ft. Pierce / 43 / .6%	126	WBFS-33 / Miami / UPN	WTVX-34 / Ft. Pierce / UPN	86	WTVJ-6 / Miami / NBC	WPBF-25 / Tequesta(W. Palm) / ABC
		86	WSVN-7 / Miami / FOX	WPBF-25 / Tequesta(W. Palm) / ABC			
Pittsburgh / 19 / 1.2%	Wheeling-Steubenville / 138 / .2%	45/35	All Stations have a Grade A Overlap				
Pittsburgh / 19 / 1.2%	Johnstown-Altoona / 92 / .3%	68	WPGH-53 / Pittsburgh / FOX	WWCP-8 / Johnstown / FOX	95	WPGH-53 / Pittsburgh / FOX	WATM-23 / Altoona / ABC
		68	WPXI-11 / Pittsburgh / NBC	WJAC-6 / Johnstown / NBC	95	WPXI-11 / Pittsburgh / NBC	WTAJ-10 / Altoona / CBS
Baltimore / 23 / 1%	Harrisburg-Lancaster-Lebanon-York / 45 / .6%	87/60/75/48	All Stations have a Grade A Overlap				
Hartford-New Haven / 27 / .9%	Springfield-Holyoke / 103 / .2%	26/32	All Stations have a Grade A Overlap				
Hartford-New Haven / 27 / .9%	Providence-New Bedford / 49 / .6%	95	WVIT-30 / New Britain / NBC	WPRI-12 / Providence / CBS	95	WVIT-30 / New Britain / NBC	WJAR-10 / Providence / NBC
Charlotte / 28 / .9%	Greensboro-Highpoint-Winston Salem / 46 / .6%	97/89/81	All Stations have a Grade A Overlap				
Charlotte / 28 / .9%	Greenville-Spartanburg-Asheville / 35 / .7%	70	WCNC-36 / Charlotte / NBC	WSPA-7 / Spartanburg / CBS	90	WCNC-36 / Charlotte / NBC	WYFF-4 / Greenville / NBC
Raleigh / 29 / .8%	Greensboro-Highpoint-Winston Salem / 46 / .6%	74	WRAL-5 / Raleigh / CBS	WFMY-2 / Greensboro / CBS	95	WRAL-5 / Raleigh / CBS	WXII-12 / Winston Salem / NBC
Raleigh / 29 / .8%	Greenville,NC-New Bern-Washington / 106 / .2%	82	WRAL-5 / Raleigh / CBS	WNCT-9 / Greenville,NC / CBS	82	WLFL-22 / Raleigh / FOX	WNCT-9 / Greenville,NC / CBS
Cincinnati / 30 / .8%	Dayton / 53 / .5%	55	All Stations have a Grade A Overlap				
Milwaukee / 32 / .8%	Madison / 84 / .3%	77	WDJT-58 / Milwaukee / CBS	WKOW-27 / Madison / ABC	77	WCGV-24 / Milwaukee / IND	WMSN-47 / Madison / FOX
San Antonio / 38 / .7%	Austin / 60 / .5%	83	KSAT-12 / San Antonio / ABC	KTBC-7 / Austin / FOX	67	KRRT-35 / Kerrville(San Antonio) / WB	KTBC-7 / Austin / FOX